

25876

John R. Morton, Jr., LLC  
110 Marter Ave.  
Suite 301  
Moorestown, NJ 08057  
Telephone: (856)866-0100  
Attorney for: Wells Fargo Equipment Finance, Inc.  
JM-5630\_\_\_\_\_

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW JERSEY

IN RE:

Shapes/Arch Holdings, L.L.C.,  
*et al.*

Debtors

) Case No. 08-14631(GMB)  
)  
) CHAPTER 11  
)  
) Hearing Date: 4-9-08  
)  
) OBJECTION OF WELLS FARGO  
)  
) EQUIPMENT FINANCE, INC. TO  
)  
) DEBTORS' MOTION FOR THE ENTRY  
)  
) OF FINAL ORDER (I)  
)  
) AUTHORIZING AND APPROVING  
)  
) POSTPETITION FINANCING; (II)  
)  
) GRANTING LIENS AND SECURITY  
)  
) INTERESTS AND PROVIDING  
)  
) SUPERPRIORITY ADMINISTRATIVE  
)  
) EXPENSE STATUS; AND (III)  
)  
) MODIFYING AUTOMATIC STAY  
)  
) PURSUANT TO SECTIONS 105,362  
)  
) AND 363 OF THE BANKRUPTCY  
)  
) CODE AND FEDERAL RULES OF  
BANKRUPTCY PROCEDURE 2002 AND  
4001(c) AND (d)

Wells Fargo Equipment Finance, Inc., by and through its  
counsel, John R. Morton, Jr., LLC, objects to the motion (the

25876

"DIP Motion") seeking the entry and approval of the final order; authorizing and approving post-petition financing; granting liens and security interests and providing superpriority administrative expense status; modifying the automatic stay pursuant to sections 105, 362, and 363 of the Bankruptcy Code and B.R. 2002 and 4001(c) and (d) for the following reasons:

1. **Background:** Wells Fargo Equipment Finance, Inc., hereinafter "Wells Fargo" through an Assumption and Assignment Agreement and Bill of Sale dated June 29, 2007 acquired from CIT Group/Equipment Financing, Inc., (hereinafter "CIT") all of CIT's rights, titles and interests in certain "Assumed Contracts". One of those "assumed contracts" was Security Agreement-Conditional Sale Contract (hereinafter "the contract") executed by Aluminum Shapes, Inc., d/b/a Aluminum Shapes, LLC (hereinafter "Aluminum Shapes") on 7-28-05 in connection with the purchase of one (1) JLG MDL 600S BOOM LIFT bearing serial number 0300087915 (hereinafter "the boom lift"). The contract was assigned to CIT. To secure payment of contract, Aluminum Shapes granted CIT a first purchase money security interest in the boom lift and there was filed with the State of New Jersey, Department of the Treasury, a UCC Financing Statement covering the boom lift, and attachments, replacements, substitutions, additions and accessions thereof, plus the proceeds of all of the foregoing. In executing the contract, Aluminum Shapes agreed to pay CIT \$97,226.40 over 60 months at \$1620.44 per month commencing 9-9-05. Wells

25876

Fargo now stands in the shoes of CIT by virtue of acquiring the contract. There is presently due to Wells Fargo under the contract the sum of \$44789.00 plus interest. The loan is due for the March 9, 2008 payment. Wells Fargo is in the process of filing a motion for stay relief to repossess the boom lift.

2. Wells Fargo objects to debtor's DIP motion to the extent that it seeks to grant a lien to any party that would prime or in any way impair CIT's and now Wells Fargo's lien on the boom lift or impair or modify its rights under the contract.
3. Wells Fargo reserves the right to assert further objections to the manner in which notice of this motion was given to creditors.

Dated: April 4, 2008

/s/ John R. Morton, Jr.

John R. Morton, Jr.  
Attorney for Wells Fargo  
Equipment Finance, Inc.